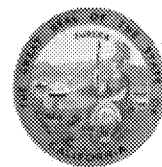




State of California – Natural Resources Agency
 DEPARTMENT OF FISH AND WILDLIFE
 South Coast Region
 3883 Ruffin Road
 San Diego, CA 92123
 (858) 467-4201
www.wildlife.ca.gov

GAVIN NEWSOM, Governor
 CHARLTON H. BONHAM, Director



January 5, 2023

Tracy Brownfield
 Land Veritas Corp
 1001 Bridgeway #246
 Sausalito, California 94965
Tracey@landveritas.com

Subject: Petersen Ranch Mitigation Bank (Tracking Number 1798-2013-04-R5), Fourth Credit Release for AREA A, Waters of the State (1600), CEQA, and CESA

Dear Ms. Brownfield:

The California Department of Fish and Wildlife (CDFW) has received your request for the fourth release of Waters of the State (1600), CEQA, and Swainson's hawk (CESA) credits on Area A of the Petersen Ranch Mitigation Bank (Bank).

You have requested, and the Department has approved, a partial release of the maximum number of credits available for the Area A fourth credit release.

Sections VII.A.1.d, VII.C.1.d, and VII.D.2.a(4) of the Bank Enabling Instrument (BEI) state that the fourth credit release (up to an additional 15% of the total anticipated credits) shall occur when:

- i. *The Bank Sponsor has submitted the Third Year Monitoring Report as required by the Development Plan;*
- ii. *Year 3 Performance Standards have been attained;*
- iii. *The Bank Sponsor funds a minimum of 70% of the Endowment Amount per BEI Section VI.E.2.c;*
- iv. *Release 3 has occurred; and*
- v. *A site visit by the IRT has occurred.*

Implementation Fee

Each CDFW approved Credit Release is contingent upon the Bank Sponsor's payment of the Implementation Fee to CDFW. Pursuant to Fish and Game Code 1799(e)(2). CDFW shall collect an Implementation Fee per Bank, which may be apportioned by an amount that equals the ratio of the number of CDFW Credits released to the total number of CDFW Credits in the Bank. The payments shall be submitted following each CDFW Credit Release and no later than the time of the submission of the Bank's annual report.

Conserving California's Wildlife Since 1870

Tracy Brownfield
 Land Veritas Corp
 January 5, 2023
 Page 2 of 4

Item (i) was completed on November 15, 2021 with the submission of the 2021 Annual Monitoring Report to the Interagency Review Team (IRT), which assesses the Year 4 Performance Standards for Area A.

Item (ii) was partially completed as documented in the 2021 Annual Monitoring Report, submitted on November 15, 2021. The 2021 Annual Monitoring Report assesses the Year 4 Performance Standards for Area A.

At Area A, there are three distinct areas assessed for performance:

- Area A Rift Valley Restoration Site
- Area A Petersen Stream Restoration Site
- Area A Enhancement Areas

Performance is based on Uniform Performance Standards (UPS) only for 1600, CEQA, and CESA credit types.

Area A Rift Valley Restoration Site and Enhancement Areas

All of Area A Year 4 performance standards were attained for the Area A Rift Valley Restoration Site Area, except for UPS #29, which exceeded the set threshold value percent relative cover of non-native, highly invasive species. However, the obtained and threshold values were determined to be statistically indistinguishable from each other and this metric was fully attained in the subsequent year. A full release of 15% of the credits from this area is approved.

- 1600 Credit Types
 - o Seasonal Wetland Re-Establishment
 - o Seasonal Wetland Rehabilitation
 - o Wetland Riparian Rehabilitation
 - o Non-Wetland Riparian Re-Establishment
 - o Non-Wetland Riparian Rehabilitation

Area A: Petersen Ranch Stream Restoration Site

The 1600 Credits from the Petersen Stream Restoration Site were determined not to be meeting the Year 4 UPSs and are therefore not eligible for release. To be conservative, all other credit types (i.e., CEQA and CESA) overlapping with credits from the Area A Petersen Stream Restoration Site were also deducted from the credits requested for release.

Area A: Enhancement Areas

All the Area A Year 4 UPSs were attained for the Area A Enhancement Areas. A full release of 15% of the credits from these areas is approved.

- 1600 Credit Types
 - o Alluvial Floodplain Enhancement
 - o Alluvial Floodplain Preservation
 - o Ephemeral Stream Enhancement
 - o Ephemeral Stream Preservation

Tracy Brownfield
Land Veritas Corp
January 5, 2023
Page 3 of 4

- o Freshwater Marsh Enhancement
 - o Seasonal Wetland Enhancement
 - o Seasonal Wetland Preservation
 - o Open Water Enhancement
 - o Open Water Preservation
 - o Non-Wetland Riparian Enhancement
 - o Non-Wetland Riparian Preservation
 - o Wetland Riparian Enhancement
- CESA Credit Types
 - o Swainson's Hawk Foraging Habitat Preservation
- CEQA Credit Types
 - o Bare Ground
 - o Chaparral
 - o Cismontane Woodland, Pinyon-Juniper Woodland
 - o Great Basin Scrub
 - o Non-native Woodland
 - o Open Water
 - o Riparian Forest Scrub
 - o Riparian Scrub
 - o Seeps, Meadows, Marshes
 - o Valley and Foothill Grassland

Item (iii) was completed on October 28, 2022 with the deposit of \$572,892.35 into the Long-Term Management Endowment Fund Account managed by the Southwest Resource Management Association (Table 7). Upon deposit, at least 70% of the total inflation adjusted long-term management amount for Area A was funded (\$1,246,456.77 of \$1,704,349.45).

Item (iv) was completed on April 22, 2021, June 16, 2021, and June 23, 2021, when the California Department of Fish and Wildlife (CDFW), the United States Army Corps of Engineers (USACE), and the Lahontan Regional Water Quality Control Board (RWQCB), respectively, approved the third credit release for Area A of the Bank.

Item (v) was completed on April 19, 2022 when CDFW staff joined a Bank Sponsor organized site visit to the Bank.

Implementation Fee: On November 17, 2022, an Implementation Fee of \$9,225.41 was paid to CDFW. This payment represents 15% of the total implementation fee of \$60,502.76.

The Bank Sponsor has requested, and the Department has approved, a partial release of the maximum number of credits available for the Area A fourth credit release. Based on the successful attainment of all the Year 4 performance standards for the Area A Rift Valley Restoration Site and Enhancement Areas, a full release of 15% of the credits from these 2 areas is approved. The 1600 Credits from the Petersen Stream Restoration Site were determined to not be meeting their Year 4 performance standards and are therefore not eligible for release. The approved fourth credit release is summarized in Tables 3, 5, and 6 below.

If you have any questions regarding this credit release, please contact Lisa Gymer, Regional Mitigation and Conservation Banking Coordinator, at (858) 294-8074 or Lisa.Gymer@wildlife.ca.gov.

Tracy Brownfield
Land Veritas Corp
January 5, 2023
Page 4 of of 4

Sincerely,

DocuSigned by:

Edmund Pert

A87CE992DB57479...

Edmund Pert
Regional Manager
South Coast Region

cc: CDFW

Edmund Pert – Ed.Pert@wildlife.ca.gov
David Mayer – David.Mayer@wildlife.ca.gov
Lisa Gymer – Lisa.Gymer@wildlife.ca.gov
Craig Zeff – Craig.Zeff@wildlife.ca.gov

WRA

Marlene Tyner-Valencourt – Tyner-Valencourt@wra-ca.com
Nate Bello – Bello@wra-ca.com

USACE

Shannon Pankratz – Shannon.L.Pankratz@usace.army.mil

EPA Region IX

Melissa Scianni – Scianni.Melissa@epa.gov

Lahontan RWQCB

Tiffany Steinert – Tiffany.Steinert@Waterboards.ca.gov